

HOUSE BILL 1755

By Jones U

AN ACT to amend Tennessee Code Annotated, Section 57-3-204; Section 57-3-207; Section 57-3-404; Section 57-3-406; Section 57-4-101; Section 57-4-102 and Section 57-4-203, relative to regulating the conduct of retail licenses, regulating the distribution of alcohol and sale of alcoholic beverages to consumers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated Section 57-3-404, is amended by deleting subsection (h) in its entirety and substituting instead the following:

(h) No alcoholic beverages shall be sold for consumption on the premises of the seller except as provided in chapter 4 of this title and as specifically excepted herein.

Notwithstanding the prohibition herein contained, an entity holding a license issued pursuant to §§ 57-3-204 or 57-3-207 may offer without charge or cost samples of wine to consumers on its licensed premises subject to the following conditions:

(1) A licensee seeking to offer such samples shall notify the commission, in writing or by electronic means, at least two (2) business days prior to the tasting event of such information related to the event the commission may require;

(2) Any samples of wine provided to consumers shall not exceed one and one half ounces (1 1/2 oz) in amount per product sampled;

(3) No licensee providing samples to consumers may offer in excess of four (4) samples per day;

(4) Only employees holding permits issued pursuant to § 57-3-204(c) or the designated owner or manager of the licensee where such individual so

satisfies the requirements of § 57-3-704(5), may participate directly in the opening, pouring, or offering of samples to consumers;

(5) Nothing in this title shall restrict any employee holding a permit issued pursuant to § 57-3-204(c) from also holding a permit issued pursuant to § 57-3-701, et seq;

(6) No sampling authorized under this subsection may extend beyond one calendar day, except that a licensee holding a license issued pursuant to § 57-3-207 may extend such sampling for a week at a time;

(7) All products provided as samples for consumers under this subsection (h) must be withdrawn from the inventory of the retail licensee and no wholesaler, manufacturer or importer may, directly or indirectly, provide products to the retail licensee for the purpose of using such products in providing samples to consumers;

(8) No employee of a manufacturer, distiller, winery, non-resident sellers permit holder, or wholesaler may participate in a sampling or tasting under this section;

(9) The restrictions on retail sales contained in § 57-3-406(c), (d) and (e) shall also be applicable to the offering of samples for consumers under this subsection (h); and

(10) Any licensee or permittee that violates this subsection (h) shall be subject to suspension of license or, in the discretion of the commission, subject to a fine which shall not exceed twice the amount established pursuant to § 57-1-201(b).

SECTION 2. Tennessee Code Annotated Section 57-3-406(f), is amended by deleting the period (.) at the end of that subsection and inserting the following language:

except as may be permitted pursuant to § 57-3-404(h).

SECTION 3. Tennessee Code Annotated, Section 57-3-204(a), is amended by inserting after the language “and not for consumption on the premises,” in the second sentence the following language:

except such on-premises consumption as may be permitted under § 57-3-404(h)

SECTION 4. This act shall take effect July 1, 2007, the public welfare requiring it.